

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matters of)	
)	
Federal-State Joint Board on)	CC Docket No. 96-45
Universal Service)	
)	
Updating Line Count Data)	

COMMENTS

BellSouth Corporation, on behalf of itself and its subsidiaries ("BellSouth"), hereby submits its Comments in response to the Public Notice released by the Common Carrier Bureau on September 11, 2001.¹ The *Public Notice* solicits comments to assist the Commission in its determination as to whether it should update the line count data for wire centers that receive universal service support.

Conceptually, BellSouth has no objection to updating line count information. Nevertheless, to the extent that the Commission would require such information be provided on a class of service basis, the Commission must be aware that such information is competitively sensitive and if released to the public would place BellSouth at a competitive disadvantage vis à vis its competitors. Because of its competitively sensitive nature, BellSouth has always treated its class of service information as confidential business information and, accordingly, has not publicly disclosed such information. BellSouth would expect the Commission to recognize the

¹ *Common Carrier Bureau Seeks Comment On Updating Line Counts and Other Limited Information Used in Calculating High-Cost Universal Service Support for Non-Rural Carriers*
(Footnote Continued)

competitive nature of class of service information and withhold any such information from public disclosure. Indeed, because BellSouth believes that the adverse competitive consequences of disclosure would far outweigh any benefit that would be obtained from updating line count information, BellSouth would not recommend updating the line count information, if the Commission is unwilling to maintain the confidentiality of this competitively sensitive information.

As a final matter, the *Public Notice* represents the second time the Commission proposes to update on a selective basis certain input values such as line counts. If the Commission continues this type of approach, such selective updates would appear to bias the model's results. Clearly, each update of line counts without a corresponding update of customer location data simply produces a wider and wider gap between the two sets of data. No one can dispute that customer locations and line counts are closely related. The Commission has argued previously that customer location updates are not needed since most line growth occurs either at existing customer locations or along paths where the model has already built cable. However, others, including BellSouth, believe that line growth also occurs in new areas that require additional investments and, therefore, could produce higher costs per line. The validity of the results of

for 2002, CC Docket No. 96-45, *Public Notice*, DA 01-2116, released September 11, 2001 (*"Public Notice"*).

using updated line counts with considering new customer locations becomes more suspect each time such a selective update is made.

Respectfully submitted,

BELLSOUTH CORPORATION

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Date: October 4, 2001

CERTIFICATE OF SERVICE

I do hereby certify that I have this 4th day of October 2001 served the following parties to this action with a copy of the foregoing **COMMENTS** by sending a electronic version or by placing a true and copy of the same in the United States Mail, postage prepaid, addressed to the parties on the attached service list.

/s/ Juanita H. Lee _____
Juanita H. Lee

Service List CC Docket No. 96-45

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